



The State of New Hampshire
Department of Environmental Services



Michael P. Nolin
Commissioner

March 30, 2006

The Honorable Sheila Roberge, Chair
Senate Public and Municipal Affairs
Room 103, LOB
Concord, NH 03301

RE: House Bill 1349, Relative to Costs of Personnel and Rates for Equipment Use in Hazardous Waste Incidents

Dear Senator Roberge:

Thank you for the opportunity to comment on HB 1349 which would require the Department of Safety to adopt rates for equipment use and the costs of personnel used in hazardous material incidents. The Department of Environmental Services (DES) supports this legislation but recommends certain revisions to clarify the language in the bill.

In the 2005 Legislative Session, HB 677 was introduced which dealt with establishing fees for the storage of hazardous materials. Those fees would have been used to provide grants to regional hazardous materials mitigation teams. The bill was ultimately voted as inexpedient to legislate but during testimony and the work session on the bill, representatives of municipalities and mutual aid districts discussed the limitations they faced in establishing rates to charge responsible parties for their staff and equipment responding to hazardous waste incidents. HB 1349 appears to respond to the frustration expressed by municipalities and DES believes this bill would permit establishment of state-wide rates which would be fair and reasonable. In order to further clarify the intent of the bill, DES offers the following textual changes:

1. The first sentence of paragraph (g) discusses the costs of personnel and equipment but does not include mention of supplies. It would appear the term "equipment" in the bill is intended to include supplies. Typically, in hazardous waste and petroleum spill contracts that DES has with private sector contractors, supplies are considered as a separate category from equipment. DES recommends the text be amended to read "rates for personnel, equipment, and supplies."
2. The second sentence of paragraph (g) reads, in part, "The rates, costs, and guidelines for establishing them . . ." For clarity it is recommended the text be revised to read "The rates and costs and the guidelines for establishing them . . ."
3. The third sentence of paragraph (g) calls for the rates and costs to reflect the actual expenses for emergency response incidents throughout the state. The term "actual expenses for emergency response" could be interpreted to limit the costs to solely that time personnel and equipment are responding to a spill. As such, the costs might not include overhead costs such as: insurance and fringe benefits for employees, training, recertification, equivalent building square foot rental costs, including heat and utilities, to house staff, etc. Similarly, the costs for equipment and supplies should not be

Honorable Sheila Roberge
HB 1349
March 30, 2006

limited to only the time the equipment is responding to the incident nor the simple replacement of supplies. Other equipment and supply costs should include: amortization of the capital cost of equipment, maintenance costs of equipment, restocking of supplies, storage of equipment and supplies, insurance of equipment, etc. Therefore, DES recommends the third sentence be revised to read "To the extent possible, the rates and costs shall reflect the actual expenses, including overhead costs, for emergency response to hazardous materials incidents for municipalities throughout the state."

Thank you again for the opportunity to comment in support of this important legislation. If you have any questions or need additional information, please do not hesitate to call Frederick McGarry at 271-4978 or me at 271-3449.

Sincerely,



Michael P. Melin
Commissioner

cc: Representative Betsy Patten
Representative Elbert Bicknell
Representative David Welch